

SECOND REGULAR SESSION

HOUSE BILL NO. 2225

97TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE PETERS.

6491L.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 407, RSMo, by adding thereto one new section relating to unauthorized telephone billing charges.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 407, RSMo, is amended by adding thereto one new section, to be known as section 407.1069, to read as follows:

407.1069. 1. This section shall be known and may be cited as the "Fair Telephone Billing Act of 2014".

2. As used in this section, the following terms shall mean:

(1) "Affirmative consent", express verifiable authorization;

(2) "Contracted third-party vendor", a person that has a contractual right to receive billing and collection services from a local exchange carrier or a provider of interconnected VoIP service for a product or service that the person provides directly to a customer;

(3) "Third-party charge", a charge for a product or service not provided by a local exchange carrier or a provider of interconnected VoIP service.

3. (1) No local exchange carrier or provider of interconnected VoIP service shall place or cause to be placed a third-party charge that is not directly related to the provision of telephone services on the bill of a customer, unless:

(a) The third-party charge is from a contracted third-party vendor;

(b) The third-party charge is for a product or service that a local exchange carrier or provider of interconnected VoIP service jointly markets or jointly sells with its own service;

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

18 (c) The customer was provided with clear and conspicuous disclosure of all
19 material terms and conditions prior to consenting under paragraph (d) of this subdivision;

20 (d) The customer provided affirmative consent for the placement of the third-party
21 charge on the bill; and

22 (e) The local exchange carrier or provider of interconnected VoIP service has
23 implemented reasonable procedures to ensure that the third-party charge is for a product
24 or service requested by the customer.

25 (2) (a) Any person who commits a violation of subdivision (1) of this subsection
26 shall be subject to a civil penalty not to exceed ten thousand dollars for each violation.

27 (b) Any local exchange carrier or provider of interconnected VoIP service that
28 commits a violation of subdivision (1) of this subsection shall be liable to the customer in
29 an amount equal to all charges paid by that customer related to the violation of subdivision
30 (1) of this subsection.

31 (3) The remedies under subdivision (2) of this subsection are in addition to any
32 other remedies provided by law.

33 4. (1) The public service commission, in consultation with the Federal
34 Communications Commission and the Federal Trade Commission, shall promulgate rules
35 to implement the provisions of this section. Any rule or portion of a rule, as that term is
36 defined in section 536.010, that is created under the authority delegated in this section shall
37 become effective only if it complies with and is subject to all of the provisions of chapter
38 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and
39 if any of the powers vested with the general assembly pursuant to chapter 536 to review,
40 to delay the effective date, or to disapprove and annul a rule are subsequently held
41 unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted
42 after August 28, 2014, shall be invalid and void.

43 (2) At a minimum, such rules shall:

44 (a) Define how local exchange carriers and providers of interconnected VoIP
45 service will obtain affirmative consent from a consumer for a third-party charge;

46 (b) Include adequate protections to ensure that consumers are fully aware of the
47 charges to which they are consenting; and

48 (c) Impose record-keeping requirements on local exchange carriers and providers
49 of interconnected VoIP service related to any grants of affirmative consent by consumers.

50 5. This section shall apply only to the extent not preempted by federal law.

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